

5/16/00

Eugenia,

Some quick initial reaction comments to the Revised Draft Recommendation on the CalFed solution:

- Summary - we need to have explicit policies and statements to make this work (I know we beat this to death last month)
- General Recommendation - Concerned about recommended ground rules include, but may not be limited to:
  - seems to open the door to other ground rules that we may not be in agreement with.
  - Item c - still need a scientific peer group to review - to day it will be analyzed keeps it too loose. A cost benefit analysis is also needed.
- Funding and accountability -
  - Item 1 - issuing annual reports does not mean someone is being held accountable. There has to be strict Key Performance Indicators (KPIs) that need to be met. Just issuing a report does not mean anything. Also who will they be accountable to.
  - Item 2 - Funding - the portion of the solution financed by local interests must be formulated with regard to time span and interest rates to assure only moderate impacts on water rates. Businesses need time to absorb these increases. An EWA as proposed by CalFed must be sufficiently funded with broad based public financing. High quality water does NOT just benefit users, it also benefits the environment as it allows water to be "extended".
- Decision - Making -
  - Who will be in charge of the decision making. Focus needs to be on a scientific peer review process.
- Water supply reliability -
  - I cannot remember why we left the ocean fisheries management in here.
  - Under balancing we need to add water quality
  - The Ecosystem Restoration Plan and EWA to provide assurance of recovery (TO WHAT LEVEL of recovery?) I thought we had agreed to avoid taking of additional water supplies through further regulatory actions vs. saying seek to minimize.
  - Reaching decisions in Stage 1 - Stage 1 must include site specific surface storage and groundwater storage components with identification of yields, costs and benefits and the engineering and plans for specific projects. The ROD should explicitly state a process that will be used to ensure that storage projects which are needed to carry out the total Cal Fed program are not vetoed by the Corps of Engineers or EPA under section 404 of the federal Clean Water Act.
  - For optimizing the through Delta conveyance, the peer-reviewed study must be a scientific peer review study.
  - Who determines baseline environmental and regulatory conditions? This is too open for being done properly. Additionally, what is a sufficient number of years? To some it may be 20-30 years. To others like SCWC, it is just a couple of years. Goes on to say this assessment (page 8 at top) must then be made by an open process. Sounds like BDAC. We don't think it will work. A scientific peer group must handle.
  - Item 11 - how is sincere effort determined?
  - Item 12 - we totally disagree. This is a DWR issue. **IF CalFed handles this, we will continue to have State and Federal people conflicts.**
  - Item 14 - providing water supply reliability assurances during Stage 1 needs to be spelled out otherwise it is too loose.

Hope this helps. In general we still think wording is too loose and not specific enough. Yes, we do not trust this process without more specifics. We've been at this for 5 years and we are still talking in terms that are still just motherhood and apple pie.

See you tomorrow.

Steve Zapotichny